

Applying for a License

LICENSED IN ANOTHER STATE?

Tennessee presently holds reciprocity agreements for the trade exam, only, with **Alabama** (General, Electrical, Residential, and HVAC), **Arkansas** (General, only), **Louisiana**, **South Carolina**, and **Mississippi**. Contractors requesting reciprocal with the trade exam must complete the application process. In addition, you must pass the Tennessee Business and Law exam offered by PSI, Inc. You will need to attach a copy of your QA's exam scores and the license verification form (located in our new application package) completed by the state where you are currently licensed and who reciprocates with Tennessee.

HOW MUCH DOES A LICENSE COST?



The application fee is \$250. Once approved your license will need to be renewed every two years at a cost of \$200. There is also a \$20/month late fee.

HOW CAN I APPLY?

You can download a new license application from our website:

www.state.tn.us/commerce/boards/contractors

Or call (615) 253-5332 to request an application.

Applications must be submitted by the 20th of the month prior to the Board meeting. The Board meets in January, March, May, July, September, and November. For example, to be considered at the January meeting, your application would need to be received by December 20th.

Other forms available on our website include Renewals, Name/Address Change, Change Mode of Operation, Change/Add QA, Add Class, Change in Officers/Ownership, Increase Limit Request, and Guaranty Agreement.

STATE OF TENNESSEE BOARD FOR LICENSING CONTRACTORS

Davy Crockett Tower, Suite 110
500 James Robertson Parkway
Nashville, TN 37243

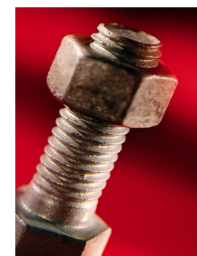
Phone: 615-741-8307

Fax: 615-532-2868

www.state.tn.us/commerce/boards/contractors



Board for Licensing Contractors



Frequently Asked Questions

TENNESSEE CONTRACTOR LICENSE LAW



It's the law that any construction project priced over \$25,000 in total labor and materials requires that the contractor be licensed in the classification of the work.

To qualify for a license, a contractor must pass a trade exam as well as the Tennessee Business & Law exam, and must meet financial and workers' compensation requirements.

WHO CAN BECOME A LICENSED CONTRACTOR?

A licensed contractor must be 18 years of age or older and have the experience and skills necessary to manage daily activities of a construction business, including field supervision, or be represented by a qualifying individual with the necessary experience and skills.

WHO MUST BE LICENSED AS A CONTRACTOR?

Any person or entity who undertakes to, attempts to, or submits a price or bid or offers to construct, supervise, superintend, oversee, schedule, direct,



or in any manner assume charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, or furnishing labor to install material or equipment for any building, highway road, railroad, sewer, grading, excavation, pipeline, public utility structure, project development, housing, housing development, improvement, or any other construction undertaking for which the total cost of the same is twenty-five thousand dollars (\$25,000) or more.

WHAT KIND OF EXPERIENCE/ EDUCATION IS REQUIRED?

At least three years of experience in your trade is required. There are no education requirements to qualify for a contractor's license.

IS THERE AN EXAMINATION REQUIREMENT FOR A CONTRACTOR'S LICENSE?

Yes, the qualifying individual (agent) for a contractor's license is required to pass the Tennessee Business & Law exam as well as any trade examinations required for your classification. Not all professions require a trade exam. Exams are administered by PSI, Inc.



and fees are less than \$45. For more information about testing locations and dates contact PSI at (800) 733-9267 or visit their website at www.psiexams.com.

IS THE QUALIFYING AGENT OWNER OF THE LICENSE?

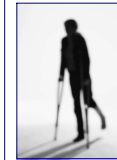


Not if the qualifying agent (QA) is only a full time employee. The license is issued to the entity or individual providing the financial statement. If the QA leaves, the company must notify the Board within ten (10) days and designate a new individual, who has passed the trade exam within ninety (90) days; the business and law exam is not required to be taken to change or add a qualifying agent. If after 90 days a new QA has not been designated, the license classification is removed from the license or the license is made invalid. For classifications which do not require a trade exam, the new QA must submit a résumé of experience and if applicable, provide environmental training certificates.

MAY THE QUALIFYING AGENT BE DESIGNATED ON MORE THAN ONE LICENSE?

If they are an owner, they may be listed on more than one license. The QA must be an owner or a full time employee. As a full time employee, they cannot be added to more than one license. For example, the QA who is a full time employee may also obtain a license as an owner in order to perform projects aside from his full time employment.

IS WORKERS' COMPENSATION INSURANCE REQUIRED?



All contractors who have at least one employee are required to present proof of workers' compensation insurance. Failure to continue coverage will invalidate your license and you will be subject to disciplinary action.

ARE THERE ANY FINANCIAL REQUIREMENTS TO QUALIFY FOR A CONTRACTOR'S LICENSE?

All applicants must submit a financial statement that has been "reviewed" (monetary limits under \$1,500,000) or "audited" (monetary limits over \$1,500,000) by a licensed CPA. Compiled financial statements and those prepared on an income tax basis are NOT acceptable.



The monetary limit is the total dollar amount per each contract or project. Monetary limits are based on the maximum of "10 times the lesser" of both working capital and net worth, plus experience listed as working on these size projects.